TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1503 - SB 1345

March 28, 2023

SUMMARY OF BILL AS AMENDED (006459): Requires the Commissioner of the Department of Commerce and Insurance (DCI) to conduct a study on the implementation of the federal *No Surprises Act* and its implications for physicians and healthcare facilities in this state. Requires the report to be submitted to the Chair of the Commerce and Labor Committee of the Senate, the Chair of the Insurance Committee of the House of Representatives, and the legislative librarian by November 1, 2023.

Makes changes to network adequacy standards descriptions of managed health insurance issuers. Requires the comprehensive listing of a plan's network participating providers to be supplemented quarterly, rather than annually. Authorizes the Commissioner of the DCI to require a modification to a network, or institute a corrective action plan, if the Commissioner determines that a managed health insurance issuer has not met the required sufficiency standards. Requires the Commissioner to develop an appeal procedure for review of network adequacy and sufficiency.

For purposes of promulgating rules and carrying out administrative duties, the proposed legislation takes effect July 1, 2023. For the purposes of the study, takes effect upon becoming a law. For all other purposes, takes effect January 1, 2024.

FISCAL IMPACT OF BILL AS AMENDED:

NOT SIGNIFICANT

Assumptions for the bill as amended:

- The DCI can conduct the required study and compile a report utilizing existing personnel and resources.
- Any increase in expenditures to implement an appeal procedure for the adequacy and sufficiency of managed health insurance issuers' networks is estimated to be not significant.

IMPACT TO COMMERCE OF BILL AS AMENDED:

NOT SIGNIFICANT

Assumption for the bill as amended:

• The proposed legislation will not have a significant impact on commerce or jobs in Tennessee.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Krista Lee Carsner, Executive Director

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